



# Insurance Department

## State of Utah

GARY R. HERBERT  
Governor  
GREG BELL  
Lieutenant Governor  
NEAL T. GOOCH  
Insurance Commissioner

## State of Utah Title and Escrow Commission Meeting Meeting Information

**Date:** October 15, 2012    **Time:** 9:00 AM    **Place:** East Bldg, Spruce Room

### MEMBERS

#### COMMISSION MEMBERS

(Attendees = x)

Chair, Larry Turner Blake, *Washington Cnty*    xJerry M. Houghton, *Tooele Cnty*  
xCo-Chair, Kirk Donald Smith, *Weber Cnty*    xDirk Keyes, *Public Member*  
xCortlund G. Ashton, *Salt Lake Cnty*

#### DEPARTMENT STAFF

Perri Babalis, *AG Counsel*    xBrett Barratt, *Deputy Comm.*    xMark Kleinfeld, *ALJ*  
xSuzette Green-Wright, *MC Dir.*    xTammy Greening, *Examiner*    Adam Martin, *Examiner*  
xJilene Whitby, *PIO Recorder*

#### PUBLIC

Pete Stevens	Carol Yamamoto	Telay Rasband
David Moore	Lincoln Scoffield	Jeff Williams
T. Garner	James Seaman	Al Newman

## MINUTES

### *General Session: (Open to the Public)*

- **Welcome** / Kirk Smith, Vice Chair 9:05am
- **Adopt Minutes for 9-10-2012 Meetings**  
**Motion** by Jerry to approve, seconded by Dirk and the vote was unanimous.
- **Reports**
  - **Concur with Licensee Report** / Tammy  
**Motion** by Dirk to concur; seconded by Jerry, vote was unanimous.
  - **Concur with Complaint & Enforcement Reports** / Suzette  
Not all enforcement report pages were printed. Most open investigations deal with lapsed licenses. Jerry made a **motion** to concur, seconded by Dirk, vote was unanimous.
  - **Request for Dual Licensee Expedited Request:** None
  - **Request for Attorney Exemption:** None
- **Administrative Proceedings Action / ALJ**
  - **Stipulation & Order:** None
  - **Request for a Hearing:** None
  - **Order on Motion:** None
  - **Informal Adjudicative Proceeding & Order:** None
  - **Formal Adjudicative Proceeding:**
    - **Absolute Title Scheduled for Nov. 13 & 14.**  
Commission members asked that they be involved in fact finding hearing scheduled for two days. Jerry made a **motion** to allow Mark to conduct the hearing since they would not have a quorum on the dates of the hearing, Dirk seconded it and the vote was unanimous.
    - **Three previous stips have not been complied with.**  
Informal action has been finalized. Stips are against Utah Standard Title Insurance Agency, Epic Title Insurance Agency, and Centennial Title Insurance Agency. Epic

may have resolved their situation. Order to Show Cause hearings are set for October 23, 2012.

- **Old Business**

- **Proposed Rule R592-17, “Minimum Mandatory Search for a Real Estate Transaction”**

Tabled for next month.

- **Legislation: Wording to Eliminate Conflicting Language Between 31a-2-404 (2)(a)(iv) and 31A-23a-204(6) / Perri**

Brett provided a handout of proposed legislative changes and reviewed them. It included the reason for each change. It has been submitted to the legislative drafter. Brett felt it followed Commission directives. Jerry made a **motion** to concur, seconded by Dirk and the vote was unanimous.

- **New Business**

- **Requirement for Title and Escrow Companies to Establish Anti-Money Laundering Programs and the Reporting thereof / Brett**

Brett reported that The Financial Crimes Enforcement Network (FinCEN) requested feedback from the states regarding requiring title and escrow companies to report suspicious activity. Brett read the Department’s response. Currently we have no anti-money laundering program for the title industry. Jerry suggested making the information a part of CE and including a question in the licensing test.

- **Fiscal Year Report of Title Investigations / Suzette**

Commission members were given a copy of the report which covered the period from July 1, 2011 to June 30, 2012. Twenty-Six cases were for unlicensed activities. Of these 16 lapsed for just a few days, during which time there were no closings. Six were fined for doing business during a much longer period of time. The Department checks for lapsed licenses each month.

- **Title Assessment / Suzette**

Suzette announced that the Title Assessment would be sent out. The assessment will be for the highest maximum amount of \$250 for the main office and \$150 for each secondary office. Companies will also be assessed. No need to approve since the law allows this. Suzette had not received the IT bill yet but said it would be under \$3,000.

- **Other Business**

- **Executive Session** (Not Needed)

- **Adjourn:** At 9:30 AM Jerry made a **motion** to adjourn, Court seconded it and the vote was unanimous.

- **Next Meeting:** November 19, Spruce Room

**2012 Meetings in Spruce Room**

Jul-9

Aug-6

Sept-10

Oct-15

Nov 19

Dec 10